In the claims

1-153. (Canceled)

154. (Previously Presented) A method for delivering targeted advertisements to a subscriber with video that the subscriber selected to receive from a video on demand system, the method comprising:

selecting the video;

determining available advertisement opportunities in the selected video;

receiving advertisement profiles, wherein the advertisement profiles define advertisement traits and intended target market traits for an associated advertisement;

selecting a first set of advertisements capable of being delivered with the video by comparing the advertisement traits and the available advertisement opportunities;

selecting a second set of advertisements that are of interest to a subscriber by comparing the intended target market traits and some combination of a subscriber profile that defines traits associated with the subscriber, household demographics, traits associated with the selected video, or traits associated with previously selected videos;

selecting targeted advertisements, wherein the targeted advertisements include a subset of advertisements that are part of both the first set of advertisements and the second set of advertisements; and

delivering the selected video and the targeted advertisements to the subscriber; and

presenting the selected video and the targeted advertisements to the subscriber on a viewing device, wherein said presenting includes presenting an alternative advertisement when the subscriber fast-forwards or skips the targeted advertisement, and wherein the alternative advertisement is a shortened version of the targeted advertisement.

155. (Previously Presented) The method of claim 154, wherein the advertisement traits include parameters defining limits on presentation of the associated advertisement to the subscriber, and further comprising

monitoring advertisements presented to the subscriber; and

confirming that the selected targeted advertisements are within the limits defined in the advertisement traits based on said monitoring.

- 156. (Previously Presented) The method of claim 154, wherein the available advertisement opportunities may be prior to, during, within or after the video.
- 157. (Previously Presented) The method of claim 156, wherein said delivering includes delivering the targeted advertisements prepended to the video if the advertisement opportunities are prior to the video.

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- 158. (Previously Presented) The method of claim 156, wherein said delivering includes delivering the targeted advertisements postpended to the video if the advertisement opportunities are after the video.
- 159. (Previously Presented) The method of claim 156, wherein said delivering includes delivering the targeted advertisements between different segments of the video if the advertisement opportunities are during the video.
- 160. (Previously Presented) The method of claim 156, wherein said delivering includes delivering the targeted advertisements as part of the video if the advertisement opportunities are within the video.
- 161. (Previously Presented) The method of claim 160, wherein the advertisement opportunities within the video include at least some subset of bugs, product placements, overlays, and banners.
- 162. (Previously Presented) The method of claim 154, wherein the alternative advertisement is presented in place of the targeted advertisement.
- 163. (Previously Presented) The method of claim 154, wherein the alternative advertisement is presented in conjunction with the targeted advertisement.

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- 164. (Previously Presented) The method of claim 154, wherein the alternative advertisement is derived from the targeted advertisement by application of processing rules.
- 165. (Previously Presented) The method of claim 154, wherein the alternative advertisement is a separate advertisement related to the targeted advertisement.
- 166. (Previously Presented) A video on demand system for delivering targeted advertisements to a subscriber with video that the subscriber selected to receive, the system comprising:

means for selecting the video;

means for determining available advertisement opportunities in the selected video;

means for receiving advertisement profiles, wherein the advertisement profiles define
advertisement traits and intended target market traits for an associated advertisement;

means for selecting a first set of advertisements capable of being delivered with the video by comparing the advertisement traits and the available advertisement opportunities;

means for selecting a second set of advertisements that are of interest to a subscriber by comparing the intended target market traits and some combination of a subscriber profile that defines traits associated with the subscriber, household demographics, traits associated with the selected video, or traits associated with previously selected videos;

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means for selecting targeted advertisements, wherein the targeted advertisements include a subset of advertisements that are part of both the first set of advertisements and the second set of advertisements; and

means for delivering the selected video and the targeted advertisements to the subscriber;

means for presenting the selected video and the targeted advertisements to the subscriber on a viewing device, wherein said presenting includes presenting an alternative advertisement when the subscriber fast-forwards or skips the targeted advertisement, and wherein the alternative advertisement is a shortened version of the targeted advertisement.

- 167. (Previously Presented) The system of claim 166, wherein said means for presenting presents the alternative advertisement in place of the targeted advertisement.
- 168. (Previously Presented) The system of claim 166, wherein said means for presenting presents the alternative advertisement in conjunction with the targeted advertisement.
- 169. (Previously Presented) The system of claim 166, further comprising means for deriving the alternative advertisement from the targeted advertisement by application of processing rules.

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170. (Previously Presented) A computer program embodied on a computer-readable medium for selecting targeted advertisements to deliver to a subscriber with video selected by the subscriber, the computer program comprising:

a source code segment for selecting the video;

a source code segment for determining available advertisement opportunities in the selected video;

a source code segment for receiving advertisement profiles, wherein the advertisement profiles define advertisement traits and intended target market traits for an associated advertisement;

a source code segment for selecting a first set of advertisements capable of being delivered with the video by comparing the advertisement traits and the available advertisement opportunities;

a source code segment for selecting a second set of advertisements that are of interest to a subscriber by comparing the intended target market traits and some combination of a subscriber profile that defines traits associated with the subscriber, household demographics, traits associated with the selected video, or traits associated with previously selected videos;

a source code segment for selecting targeted advertisements, wherein the targeted advertisements include a subset of advertisements that are part of both the first set of advertisements and the second set of advertisements; and

a source code segment for delivering the selected video and the targeted advertisements to the subscriber; and

a source code segment for presenting the selected video and the targeted advertisements to the subscriber on a viewing device, wherein said presenting includes presenting an alternative advertisement when the subscriber fast-forwards or skips the targeted advertisement, and wherein the alternative advertisement is a shortened version of the targeted advertisement.

171. (Previously Presented) The computer program of claim 170, further comprising a source code segment for deriving the alternative advertisement from the targeted advertisement by application of processing rules.

172-193. (Canceled)